

REPORTS ANALYSIS REFERRAL

04L-18

DATE: December 10, 2004

ANALYST: Jill Sugarman

- I COMMITTEE:** Gallagher for Senate
C00396234
Kenneth M. Lancaster, Treasurer
1500 San Remo Avenue, Suite 251
Coral Gables, FL 33146
- II RELEVANT STATUTE:** 11 CFR §104.3
11 CFR §104.3(b)
2 U.S.C. §434(b)

III BACKGROUND:

Failure to Disclose All Financial Activity

Gallagher for Senate ("the Committee") amended its 2004 July Quarterly Report disclosing additional disbursements totaling \$1,358,937.00, an increase over the financial activity reported in their original 2004 July Quarterly Report.

On July 15, 2004, the Committee filed their original 2004 July Quarterly Report (Image 24020471837). This report disclosed total disbursements of \$1,146,492.63. On August 10, 2004, RAD sent a Request for Additional Information (RAI) to the Committee referencing the original 2004 July Quarterly Report for unrelated issues (Image 24038493565).

On August 12, 2004, the Committee filed an Amended 2004 July Quarterly Report. The amended report disclosed an increase of \$2,000.00 in receipts and an increase of \$4,372.60 in debts (Image 24020640698).

On September 9, 2004, the Committee filed a second Amended 2004 July Quarterly Report. The amended report corrected the issues cited in the first RAI, but also disclosed an increase in disbursements of \$1,358,937.00, bringing total disbursements to \$2,505,429.63 (Image 24020702640 and Attachment 3). On September 21, 2004, RAD sent an RAI to the Committee referencing the Amended July Quarterly Report.

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The RFAI requested that the Committee correct a beginning cash discrepancy and clarify why the additional disbursement activity was not disclosed in the original filing (Image 24038521252).

During the last week of September, Patti Thompson, a representative of the Committee, spoke with a RAD analyst (Attachment 2). When asked how to respond to the RFAI, the analyst advised her to file an explanation as to why the additional activity was not included in the original report. The analyst stated that any explanation would be placed on the public record, but would not necessarily satisfy the RFAI because the committee should have included this activity in its original filing.

On October 1, 2004, the Committee filed a third Amended 2004 July Quarterly Report (Image 24020741568). The amended report corrected the beginning cash discrepancy and included the following statement: "The amended July Quarterly Report, dated September 9, 2004, discloses a substantial increase in disbursements due to wire transfers for media purchases and other large transfers not included on the original report, which were picked up from the bank statements when the bank reconciliations were done".

As of today's date, no further communications have been received from the Committee regarding these matters.

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GALLAGHER, DOUGLAS

ID #84FL00348

GALLAGHER FOR SENATE
KENNETH N LANCASTER

1800 SAN RENO AVE SUITE #281

CORAL GABLES

SENATE
FL 33148

ID #C00388234

FILING FREQUENCY: QUARTERLY

FORM TYPE	RPT TYPE	AI	PGI	REC DATE	PGS	BEG IMAGE	COVERAGE DATES	BEG CASH	RECEIPTS	DISBURSE	END CASH	DEBTS BY
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1		N		2/13/2004	6	24020130741						
1		A		6/16/2004	4	24020382077						
1		A		8/12/2004	4	24020840884						
1		A		9/08/2004	4	24020702828						

RS		X		6/16/2004	4	24020382081						
RS		X		6/16/2004	3	24038430889						
RS		X		7/17/2004	2	24038482067						
RS		X		7/17/2004	4	24020891670						
RS		X		7/30/2004	2	24038484834						
RS		X		7/30/2004	4	24020803088						
RS		X		8/08/2004	4	24020840889						
RS		X		8/07/2004	2	24038482714						
RS		X		8/16/2004	2	24038800239						
RS		4		8/17/2004	4	24020842471						
RS		X		8/17/2004	4	24020870824						
RS		4		8/18/2004	4	24020880747						
RS		X		8/19/2004	2	24038802018						
RS		X		8/19/2004	4	24020871841						
RS		4		8/23/2004	4	24020870481						
RS		4		8/23/2004	5	24020870446						
RS		4		8/23/2004	4	24020883387						
RS		X		8/24/2004	2	24038803547						
RS		X		8/24/2004	4	24020873838						
RS		X		9/08/2004	8	24020702832						

RQ		4		8/10/2004	3	24038483580	8/10/2004					
RQ		4		8/10/2004	3	24038483583	8/10/2004					

RQ		4		8/24/2004	3	24038803418	8/24/2004					
RQ		4		8/24/2004	3	24038803421	8/24/2004					

RQ	Q1	2		5/11/2004	3	24038404463	1/01/2004	3/31/2004				
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RQ	Q2	2		8/10/2004	3	24038483886	4/01/2004	6/30/2004				
RQ	Q2	2		9/21/2004	3	24038521282	4/01/2004	6/30/2004				

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FILING FREQUENCY: QUARTERLY

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ATTACHMENT #1

FORM TYPE	RPT TYPE	AI	PGI	REC DATE	PGS	BEG IMAGE	COVERAGE DATES	BEG CASH	RECEIPTS	DISBURSE	END CASH	DEBTS BY
RQ	12P	2		9/14/2004	3	24038513858	7/01/2004 8/11/2004					
3	Q1	N		4/18/2004	82	24020233814	1/01/2004 3/31/2004	0	1482035	51509	1410525	1307183
3	Q1	A		4/18/2004	81	24020293249	1/01/2004 3/31/2004	0	1482035	51509	1410525	1307183
3	Q1	A		4/18/2004	81	24020302381	1/01/2004 3/31/2004	0	1482035	51509	1410525	1307183
3	Q1	A		8/24/2004	6	24020362651	1/01/2004 3/31/2004	0	1482035	51509	1410525	1307183
3	Q2	N		7/15/2004	167	24020471837	4/01/2004 6/30/2004	1410525	1338885	1148482	1801017	1313889
3	Q2	A		8/12/2004	7	24020640888	4/01/2004 6/30/2004	1410525	1338885	1148482	1803017	1318041
3	Q2	A		8/09/2004	172	24020702840	4/01/2004 6/30/2004	1803017	1338885	2505429	438572	1318881
3	Q2	A		10/01/2004	8	24020741588	4/01/2004 6/30/2004	1410525	1338885	2505429	244080	1318881
3	12P	N		8/19/2004	129	24020851519	7/01/2004 8/11/2004	1803017	1082042	1171336	1483723	1803239
3	12P	A		10/01/2004	7	24020741578	7/01/2004 8/11/2004	244080	1082042	1171336	134786	1803239
3	Q3	N		10/14/2004	88	24020752555	8/12/2004 9/30/2004	134786	2973872	3082483	48186	1554881
TOTAL									6838834	6790757		

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Gallagher For Senate (C00396234)
2004 July Quarterly Report / Amended 2004 July Quarterly Report
Disbursement Overview

Disbursements: 118.53% increase.

Line 7(a): Total Operating expenditures	\$1,142,492.63	\$2,501,429.63
Line 17: Operating Expenditures	\$1,142,492.63	\$2,501,429.63
Line 22: Total Disbursements	\$1,146,492.63	\$2,505,429.63

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